

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**Audited Financial Statements**

**For the Years Ended June 30, 2009 and 2008**

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**Audited Financial Statements**

**For the Years Ended June 30, 2009 and 2008**

**HAYDEN & ROSS, P.A.**  
**Certified Public Accountants**  
**Moscow, Idaho**

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

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## **FINANCIAL SECTION**

# HAYDEN & ROSS, P.A.

## CERTIFIED PUBLIC ACCOUNTANTS

SINCE 1938

Jim Pilcher, CPA/PFS • Dave Jones, CPA/PFS • Brad Lewis, CPA/PFS • Cade Konen, CPA/PFS • Nathan Strong, CPA/PFS • Mark Watson, CPA

### INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Sandpoint Charter School, Inc.  
Sandpoint, Idaho 83864

We have audited the accompanying statements of financial position of the Sandpoint Charter School, Inc. as of June 30, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Sandpoint Charter School, Inc. as of June 30, 2009, and 2008 and the results of its operations for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

*Hayden & Ross, P.A.*

Moscow, Idaho  
August 18, 2009

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current Assets		
Cash	235,230	174,082
State support receivable	16,915	13,841
Other receivable	2,292	2,660
Prepaid expenses	6,381	5,995
Total Current Assets	<u>260,818</u>	<u>196,578</u>
Fixed Assets		
Land and buildings	1,838,703	1,616,995
Fixtures and equipment	57,525	57,525
Less accumulated depreciation	<u>(256,127)</u>	<u>(207,542)</u>
Net Fixed Assets	<u>1,640,101</u>	<u>1,466,978</u>
Total Assets	<u>\$ 1,900,919</u>	<u>1,663,556</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	47,943	14,198
Salaries and benefits payable	92,782	86,113
Current portion of long-term debt	52,778	55,523
Total Current Liabilities	<u>193,503</u>	<u>155,834</u>
Long-term liabilities, less current portion	<u>1,515,075</u>	<u>1,355,872</u>
Net Assets		
Unrestricted	<u>192,341</u>	<u>151,850</u>
Total Liabilities and Net Assets	<u>\$ 1,900,919</u>	<u>1,663,556</u>

**The accompanying notes are an integral part of these financial statements.**

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**STATEMENTS OF ACTIVITIES**  
**For the Years Ended June 30, 2009 and 2008**

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	<u>2009</u>	<u>2008</u>
<b>Revenue, Grants, and Other Support</b>		
Federal support	58,716	28,794
State support	1,125,257	947,244
Interest	7,960	13,155
Other local	17,495	11,881
Total Revenue, Grants and Other Support	<u>1,209,428</u>	<u>1,001,074</u>
<b>Expense</b>		
Program (instructional)	679,852	615,937
Administrative (support)	324,987	244,814
Non-instructional	53,834	4,422
Depreciation	48,585	44,476
Interest on long-term debt	61,679	86,882
Total Expense	<u>1,168,937</u>	<u>996,531</u>
Change in net assets - unrestricted	40,491	4,543
Net assets - beginning of year	<u>151,850</u>	<u>147,307</u>
Net assets - end of year	<u>\$ 192,341</u>	<u>151,850</u>

The accompanying notes are an integral part of these financial statements.

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**STATEMENTS OF CASH FLOWS**  
**For the Years Ended June 30, 2009 and 2008**

	<b>2009</b>	<b>2008</b>
<b>Cash Flows from Operating Activities</b>		
Cash received from state support	1,122,183	944,536
Cash received from federal support	59,084	28,794
Cash received from interest	7,960	13,155
Other cash received	17,495	9,221
Cash paid for interest	(61,679)	(86,882)
Cash paid to suppliers and employees	(1,018,645)	(845,632)
Net Cash Provided by Operating Activities	<u>126,398</u>	<u>63,192</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of fixed assets	<u>(221,708)</u>	<u>0</u>
<b>Cash Flows from Financing Activities</b>		
Cash from loan proceeds	210,000	
Payment on long-term debt and fees	(53,542)	(38,590)
Net Cash Provided by (Used in) Financing Activities	<u>156,458</u>	<u>(38,590)</u>
<b>Net Increase in Cash</b>	61,148	24,602
<b>Cash - Beginning of Year</b>	<u>174,082</u>	<u>149,480</u>
<b>Cash - End of Year</b>	<u><u>\$ 235,230</u></u>	<u><u>174,082</u></u>
<b>Reconciliation of Change in Net Assets to Net</b>		
Cash Provided by Operating Activities:		
Change in net assets	40,491	4,543
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Depreciation and amortization	48,585	44,476
Decrease (increase) in state support receivable	(3,074)	(2,708)
Decrease (increase) in other receivable	368	(2,660)
Decrease (increase) in prepaid expenses	(386)	1,026
Increase (decrease) in accounts payable	33,745	25
Increase (decrease) in salaries and benefits payable	<u>6,669</u>	<u>18,490</u>
Net Cash Provided by Operating Activities	<u><u>\$ 126,398</u></u>	<u><u>63,192</u></u>

**The accompanying notes are an integral part of these financial statements.**



**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2009 and 2008**

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**NOTE 1 - ORGANIZATION**

The Sandpoint Charter School (the School) is a non-profit state-funded public school. The School serves middle school aged (6<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup> grades) children in the Bonner County area. The School was approved in January 2001 by the Lake Pend Oreille School District Board of Education. The school offers a rigorous educational curriculum that emphasizes project based learning and high behavioral and academic standards.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Restricted Support** - The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, either when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The School reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

**Basis of Accounting** - The School uses the accrual basis of accounting. Revenues are recognized as earned, and expenses are recognized when incurred.

**Cash** - The School has no requirement to hold cash in separate accounts.

**Accounts Receivable** - No allowance for uncollectible accounts is calculated by the School since all receivables were deemed to be collectible.

**Income Tax Status** - The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code except for income, if any, derived from unrelated business.

**Fixed Assets** - The cost of fixed assets is depreciated over the estimated useful lives of the assets. The School has a capitalization threshold policy of \$5,000. Depreciation is computed on the straight-line method for financial reporting purposes. The useful lives of fixed assets for purposes of computing depreciation are 5 to 7 years for office furniture and equipment and 40 years for buildings. Depreciation expense for the years ending June 30, 2009 and 2008 was \$48,585 and \$44,476, respectively.

**Use of Estimates** - The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses, and actual results may differ from estimated amounts.

**Statement of Cash Flows** - For purposes of the Statement of Cash Flows, the School considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

**Reports Required by the State** - The income statements required by the State included in the supplemental information report the unrestricted activity. The General Fund accounts for activities for general operations. The Special Revenue Funds account for the activities from the grants the School received. The School Plant Facility Fund accounts for activities related to the building facilities used by the School.

### **NOTE 3 - LONG-TERM DEBT**

Long-term debt for the School as of June 30, 2009 and 2008 consists of the following:

	<u><b>2009</b></u>	<u><b>2008</b></u>
United States Department of Agriculture (USDA) secured by land, building and equipment payable at \$3,614 per month including interest at 4.5%. The note matures January 2029.	563,278	580,865
United States Department of Agriculture (USDA) secured by land, building, and equipment payable at \$1,065 per month including interest at 4.5%. The note matures March 2039	209,080	- 0 -
Panhandle State Bank (PSB) secured by land, building and equipment, payable at \$6,526.46 per month including interest. Interest is computed at a variable rate referenced to the prime rate as reported in the <i>Wall Street Journal</i> . The interest rate to be applied to unpaid principal will be at a rate of 2.0% over the prime rate. The interest rate at June 30, 2008 was 5.00%. The note matures August 2023.	<u>795,495</u>	<u>830,530</u>
Total Long-term Debt	1,567,853	1,411,395
Less Current Portion	<u>(52,778)</u>	<u>(55,523)</u>
Net Long-term Debt	<u><b>\$1,515,075</b></u>	<u><b>\$1,355,872</b></u>

Future debt service is as follows:

<b>Fiscal Year-end June 30,</b>	
2010	52,778
2011	53,586
2012	55,650
2013	57,795
2014	60,025
2015 and thereafter	<u>1,288,019</u>
Total	<u>\$1,567,853</u>

#### **NOTE 4 – MAJOR FUNDING SOURCE**

The School received a majority of its revenue from the Idaho Department of Education.

	<u>2009</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$1,125,257	93%

  

	<u>2008</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$947,244	95%

#### **NOTE 5 - EMPLOYEE'S RETIREMENT SYSTEM**

Public Employee Retirement System of Idaho (PERSI), The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% of the average monthly salary for the highest consecutive 42 months.

PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website [www.persi.idaho.gov](http://www.persi.idaho.gov).

The actuarially determined contribution requirements of the School and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2009, the required contribution rate as a percentage of covered payroll for members was 6.23%. The employer rate as a percentage of covered payroll was 10.39%. The School's contributions required and paid were \$57,715, \$47,221 and \$39,316, for the three years ended June 30, 2009, 2008, and 2007, respectively.

#### **NOTE 6 – DESIGNATED FUND BALANCE**

For the year ending June 30, 2007, the Idaho State Legislature levied a requirement for all school districts in the State of Idaho to spend a certain amount of funds on capital outlay and maintenance on student-occupied buildings. Per the State of Idaho's Department of Education, the School was required to spend \$47,241 in expenses relating to student-occupied buildings, based on the factor of 29,000 square feet multiplied by a factor of \$81.45 then multiplied again by 2%. At beginning of fiscal year-end June 30, 2009, the School had a carryover balance of \$49,700. The School spent \$173,657 on maintenance this fiscal year, which they were able to apply against the carryover. In addition the School is able to offset an additional \$29,475 against next year's requirement due to the level of maintenance expenses this year. Therefore, the School does not have a designated balance this year.

#### **NOTE 7 – CONCENTRATION OF CREDIT RISK**

Sandpoint Charter School maintains four checking accounts at a single bank. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000 at an institution for fiscal year-end 2009 and up to \$100,000 at an institution for fiscal year-end 2008. Cash at this institution exceeded federally insured limits. The amount in excess of the FDIC limit totaled \$14,951 and \$78,486 as of June 30, 2009 and 2008, respectively.

## **NOTE 8 – HIGH SCHOOL EXPANSION PROJECT**

Sandpoint Charter School has begun construction of a new high school facility located on the school property. The new building is 20,000 square feet. Financing for the project is currently at \$2.2 million in the form of a construction loan from Mountain West Bank. The loan is backed by the United States Department of Agriculture Rural Development program (USDA). Seventy-five percent of the long-term loan (\$1.55 million) will be through the USDA at 4.5% for 25 years. The remaining 25% will be through Mountain West Bank and is currently projected to be 6.1% for 25 years. Construction of the building is projected to finish in March of 2010 (phase I). The building will be able to be used at that time, but will not be completely finished. The School has begun the first of a three year expansion with 45 9<sup>th</sup> and 10<sup>th</sup> grade students and a total enrollment of 226 students compared to 150 students in fiscal year-end 2009. The School will add 11<sup>th</sup> grade next year and 12<sup>th</sup> grade in 2011. The high school will follow in the footsteps of the successful project based middle school model and is projected to grow to an enrollment of up to 200 students. Enrollment projections for fiscal year ended 2011 are to add 60 more students. Projected debt service requirements for the new building is \$140,000 per year. This additional cost is within 15% of the total projected budget by fiscal year ended 2012. The School has begun a capital campaign to raise an additional \$650,000 to finish off classrooms in the new building. The USDA Rural Development program has given the School \$133,000 in unlimited grants as part of this campaign.

## **SUPPLEMENTARY INFORMATION**

# HAYDEN & ROSS, P.A.

## CERTIFIED PUBLIC ACCOUNTANTS

SINCE 1938

Jim Pilcher, CPA/PFS • Dave Jones, CPA/PFS • Brad Lewis, CPA/PFS • Cade Konen, CPA/PFS • Nathan Strong, CPA/PFS • Mark Watson, CPA

### INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

To the Board of Directors  
Sandpoint Charter School, Inc.  
Sandpoint, Idaho 83864

Our report on our audit of the basic financial statements of the Sandpoint Charter School, Inc. for the years ended June 30, 2009 and 2008 appears on Page 1. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The other additional information presented on pages 11 through 17 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Hayden & Ross, P.A.*

Moscow, Idaho  
August 18, 2009

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**STATEMENT OF FUNCTIONAL EXPENSE**  
**For the Year Ended June 30, 2009**

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	479,896	116,485		596,381
Benefits	163,555	25,713		189,268
Purchased services	9,090	157,458		166,548
Supply-materials	27,311	21,975		49,286
Insurance		3,356		3,356
Capital objects			53,834	53,834
Debt-service interest		61,679		61,679
Depreciation and amortization	<u>48,585</u>			<u>48,585</u>
Total Expense	<u>\$ 728,437</u>	<u>386,666</u>	<u>53,834</u>	<u>1,168,937</u>



**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**STATEMENT OF FUNCTIONAL EXPENSE**  
**For the Year Ended June 30, 2008**

	<b>Program (Instructional)</b>	<b>Administrative (Support)</b>	<b>Non-Instruction</b>	<b>Total</b>
Salaries	432,386	108,223		540,609
Benefits	132,364	24,262		156,626
Purchased services	11,347	98,025		109,372
Supply-materials	39,840	14,304		54,144
Capital objects			4,422	4,422
Insurance				0
Debt-service interest		86,882		86,882
Depreciation and amortization	<u>44,476</u>			<u>44,476</u>
Total Expense	<u>\$ 660,413</u>	<u>331,696</u>	<u>4,422</u>	<u>996,531</u>

SANDPOINT CHARTER SCHOOL, INC.  
Sandpoint, Idaho

SCHEDULE OF ASSETS, LIABILITIES, AND NET ASSETS  
June 30, 2009

	GOVERNMENTAL FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		Totals (Memorandum Only)
	General	Special Revenue	Agency	General Fixed Assets	General Long-Term Debt	
<b>ASSETS AND OTHER DEBITS</b>						
Assets:						
Cash	224,558	10,672	6,807			242,037
State support program receivable	15,754					15,754
Other receivable	374	3,079				3,453
Property, equipment & amortization				1,896,228		1,896,228
Prepaid expenses	6,381					6,381
Other debits:						
Amount to be provided for retirement of general long-term debt					1,567,853	1,567,853
Total assets and other debits	\$ 247,067	13,751	6,807	1,896,228	1,567,853	3,731,706
<b>LIABILITIES</b>						
Accounts Payable	47,943					47,943
Accrued payroll and benefits	92,782					92,782
Due to student groups			6,807			6,807
Notes payable					1,567,853	1,567,853
Total liabilities	140,725	0	6,807	0	1,567,853	1,715,385
<b>EQUITY AND OTHER CREDITS</b>						
Investment in general fixed assets				1,896,228		1,896,228
Net Assets:						
Designated for student-occupied building maintenance	0					0
Unreserved-undesignated	106,342	13,751				120,093
Total equity and other credits	106,342	13,751	0	1,896,228	0	2,016,321
Total liabilities, equity and other credits	\$ 247,067	13,751	6,807	1,896,228	1,567,853	3,731,706

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET**  
**ASSETS - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2009**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Interest	7,960		7,960
Other	387		387
Total local	<u>8,347</u>	<u>0</u>	<u>8,347</u>
State:			
Base support	990,292	1,000,978	(10,686)
Benefit support	101,907	100,372	1,535
Other state support	27,418		27,418
Total state	<u>1,119,617</u>	<u>1,101,350</u>	<u>18,267</u>
Total revenues	<u>1,127,964</u>	<u>1,101,350</u>	<u>26,614</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Salaries	454,896	447,114	(7,782)
Benefits	163,555	152,437	(11,118)
Purchased services	708	3,075	2,367
Supply-materials	24,975	43,460	18,485
Capital objects		172,000	172,000
Total instruction	<u>644,134</u>	<u>818,086</u>	<u>173,952</u>
Support:			
Salaries	116,485	149,038	32,553
Benefits	25,713	31,223	5,510
Purchased services	119,654	99,425	(20,229)
Supply-materials	21,975	38,540	16,565
Insurance	3,356	2,880	(476)
Total support	<u>287,183</u>	<u>321,106</u>	<u>33,923</u>
Capital objects	<u>53,834</u>	<u>0</u>	<u>(53,834)</u>
Total expenditures	<u>985,151</u>	<u>1,139,192</u>	<u>154,041</u>
Excess(deficit) of revenues over(under) expenditures	<u>142,813</u>	<u>(37,842)</u>	<u>180,655</u>
Other financing sources (uses):			
Transfer in		6,000	(6,000)
Transfer out	(126,929)	(185,920)	58,991
Total other financing sources (uses)	<u>(126,929)</u>	<u>(179,920)</u>	<u>52,991</u>
Change in net assets	<u>15,884</u>	<u>(217,762)</u>	<u>233,646</u>
Net Assets - Beginning of year	<u>90,458</u>		
Net Assets - End of year (Budget Basis)	106,342		
Adjustments to conform with GAAP:			
Capitalized capital objects	57,525		
Depreciation expense	<u>(45,199)</u>		
Net Assets - End of Year (GAAP)	<u>\$ 118,668</u>		

See accountants' report.

**SANDPOINT CHARTER SCHOOL, INC.**  
Sandpoint, Idaho

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2009**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>INSTRUCTION:</b>			
Secondary			
Salaries	454,896	447,114	(7,782)
Benefits	163,555	152,437	(11,118)
Purchased services	708	3,075	2,367
Supply-materials	24,975	43,460	18,485
Capital Objects		172,000	172,000
Total Secondary	<u>644,134</u>	<u>818,086</u>	<u>1,952</u>
<b>TOTAL INSTRUCTION:</b>			
Salaries	454,896	447,114	(7,782)
Benefits	163,555	152,437	(11,118)
Purchased services	708	3,075	2,367
Supply-materials	24,975	43,460	18,485
Capital Objects		172,000	172,000
Total Instruction	<u>\$ 644,134</u>	<u>818,086</u>	<u>1,952</u>
<b>SUPPORT:</b>			
Special services program			
Purchased services	<u>2,636</u>		<u>(2,636)</u>
Total Special Services Program	<u>2,636</u>	<u>0</u>	<u>(2,636)</u>
Instructional Improvement			
Purchased services	<u>10,912</u>		<u>(10,912)</u>
Total Instructional Improvement	<u>10,912</u>	<u>0</u>	<u>(10,912)</u>
School administration			
Salaries	98,769	125,192	26,423
Benefits	24,358	29,386	5,028
Purchased Services	42,545	34,850	(7,695)
Supply-materials	9,711	25,420	15,709
Insurance	<u>3,356</u>	<u>2,880</u>	<u>(476)</u>
Total School Administration	<u>178,739</u>	<u>217,728</u>	<u>38,989</u>
Custodial			
Salaries	12,497	23,846	11,349
Benefits	1,010	1,837	827
Purchased services	37,595	46,125	8,530
Supply-materials	<u>6,542</u>	<u>11,480</u>	<u>4,938</u>
Total Custodial	<u>57,644</u>	<u>83,288</u>	<u>25,644</u>
Maintenance - Buildings and Equipment			
Salaries	5,219		(5,219)
Benefits	345		(345)
Purchased services	7,015		(7,015)
Supply-materials	<u>5,379</u>		<u>(5,379)</u>
Total Maintenance - Buildings and Equipment	<u>17,958</u>	<u>0</u>	<u>(17,958)</u>
Maintenance - Grounds			
Purchased services	6,402	8,200	1,798
Supply-materials	<u>343</u>	<u>1,640</u>	<u>1,297</u>
Total Maintenance - Grounds	<u>6,745</u>	<u>9,840</u>	<u>3,095</u>
Transportation			
Purchased services	<u>12,549</u>	<u>10,250</u>	<u>(2,299)</u>
Total Transportation	<u>12,549</u>	<u>10,250</u>	<u>(2,299)</u>
<b>TOTAL SUPPORT:</b>			
Salaries	116,485	149,038	37,772
Benefits	25,713	31,223	5,855
Purchased services	119,654	99,425	(4,382)
Supply-materials	21,975	38,540	15,268
Insurance	<u>3,356</u>	<u>2,880</u>	<u>(476)</u>
Total Support	<u>\$ 287,183</u>	<u>321,106</u>	<u>54,037</u>

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET  
ASSETS - ALL SPECIAL REVENUE FUNDS**  
**For the Year Ended June 30, 2009**

	State Technology Grant	Title VI-B Fund	Miscellaneous Grant	Federal Restricted	Charter High School	Total
<b>REVENUES</b>						
Local:						
Other			5,108		12,000	17,108
State:						
State support	5,640					5,640
Federal:						
Restricted		27,742		30,974		58,716
Total revenues	5,640	27,742	5,108	30,974	12,000	81,464
<b>EXPENDITURES</b>						
Current:						
Instruction:						
Salaries		25,000				25,000
Benefits						0
Purchased services	5,640	2,742				8,382
Supplies-materials			2,336			2,336
Total instruction	5,640	27,742	2,336			35,718
School Administration						
Purchased services			2,772	30,974	4,058	37,804
Total school administration			2,772	30,974	4,058	37,804
Total expenditures	5,640	27,742	5,108	30,974	4,058	73,522
Excess of revenues over expenditures	0	0	0	0	7,942	7,942
Net assets-beginning of year	4,273	0	1,536	0	0	5,809
Net assets-end of year	4,273	0	1,536	0	7,942	13,751
Adjustments to conform with GAAP:						
Capitalized capital objects			7,158			7,158
Depreciation expense			(1,431)			(1,431)
Net Assets - End of Year (GAAP)	\$ 4,273	0	7,263		7,942	19,478

See accountants' report.

**SANDPOINT CHARTER SCHOOL, INC.**  
**Sandpoint, Idaho**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
NET ASSETS - SCHOOL PLANT FACILITY FUND**  
**For the Year Ended June 30, 2009**

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<b>REVENUES</b>		0
<b>EXPENDITURES</b>		
Capital objects	221,708	
Debt service principal	53,542	
Debt service interest	<u>61,679</u>	
Total expenditures		<u>336,929</u>
Excess (deficiency) of revenues over expenditures		(336,929)
Other financing sources (uses):		
Proceeds from loan	210,000	
Transfer in	<u>126,929</u>	
Total other financing sources (uses)		336,929
Change in net assets		0
Net assets-beginning of year		<u>0</u>
Net assets-end of year (budget basis)		0
Adjustments to conform with GAAP:		
Capitalized capital objects		1,831,545
Loan proceeds		(1,760,000)
Principal payments		192,147
Depreciation expense		<u>(209,497)</u>
Net assets - end of year (GAAP)		<u>\$ 54,195</u>

See accountants' report.